

CONFIDENTIAL

EXHIBIT G

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Exhibit A

THE COMPANY

Northern Commercial Company (the "Company") has for many years been franchised by Caterpillar Tractor Co. ("Caterpillar") to sell and service Caterpillar equipment in the State of Alaska, in fifteen counties in the western part of the State of Washington and in the Yukon Territory, Canada (the "Machinery Division"). For years the Company has also owned and operated department and branch stores and tire centers in the State of Alaska (the "Retail Division").

During the last three years construction of the Trans Alaska Pipeline (the "Pipeline") has caused a significant increase in sales and profits of the Company; however, completion of the major construction on the Pipeline has resulted in a reduction of sales and profits in 1976. In March, 1975, the Company sold its three department stores; and its tire sales and service stores have been disposed of during 1976, leaving primarily the branch stores in the Retail Division. In April, 1976, the Company advised Caterpillar that it was terminating its franchise arrangement with that company. The date of termination has been set at December 31, 1976, and Caterpillar has announced that the franchise for Alaska and western Washington will be awarded to Skinner Corporation ("Skinner") of Seattle, Washington, and the franchise for the Yukon Territory will be awarded to Finning Tractor & Equipment Company Limited ("Finning") of Vancouver, B.C. The Company has sold its assets relating to the Yukon Territory franchise to Finning, and the proposed tender offer (the "Offer") by Skinner, if successful, will result in Skinner's 90% or greater ownership of the Company, which now holds the assets to which the Alaska and western Washington Caterpillar franchise relates.

The Richmond family and other members of management of the Company presently own 61% of the outstanding Common Stock of the Company, with the Richmond family owning 54%. Volney Richmond Jr., Chairman of the Board of the Company, has indicated his intention, subject to a definitive agreement being reached on certain warranties and other details, to sell to Skinner the 13% of the Company owned by himself personally and to recommend to his family, to remaining management, and to the stockholders of the Company that they also sell their shares to Skinner.

Should the Offer by Skinner be unsuccessful, the Company's franchise with Caterpillar is nevertheless scheduled to

terminate at midnight, December 31, 1976, and the Caterpillar new inventory of the Company will be subject to repurchase by Caterpillar. It has not been determined what arrangements might be worked out between the Company, Skinner and Caterpillar for service of Caterpillar products during the transition period during which Skinner would assume Caterpillar sales and service operations in the event that the Offer is unsuccessful.

Should the Offer be unsuccessful, it is the intent of management immediately to enter into negotiations with Skinner to make a lease or similar arrangement so that the Company's Alaska and western Washington Caterpillar sales and service business may be continued through Skinner's Caterpillar franchise for an interim period so that the Company may initiate a sale of the assets relating to the Alaska and western Washington franchise to Skinner. Any such sale of assets would require only a majority vote of stockholders, and management and the Richmond family hold in excess of that amount. There can be no assurance, however, that such a lease or similar arrangement with Skinner could be timely negotiated or that any such sale of assets would be consummated.

As used herein, the term "Company" refers to Northern Commercial Company, a Delaware Corporation, and, unless the context otherwise requires, to its subsidiaries and predecessors. The principal office of the Company is located at 1110 - 3rd Avenue, Seattle, Washington 98101, telephone number (206) 251-5700.